Congress of the United States Washington, DC 20515

November 3, 2021

The Honorable Janet L. Yellen. Secretary of the Department of Treasury 1500 Pennsylvania Avenue, N.W. Washington, D.C. 20220

Dear Secretary Yellen,

We write to express our concern with a growing housing crisis and the distribution of Emergency Rental Assistance Program funds. As lawmakers, we are seeking clarity on the Treasury guidance for Emergency Rental Assistance (ERA) grantees that was released on October 4, 2021, and the additional guidance released on October 24, 2021. We have questions regarding the standards for the program improvement plan, funding reobligation processes, and the type of ERA data made available by Treasury.

Thank you for continuing to work closely in partnership with members of Congress, housing advocates, and community members to rapidly distribute the remainder of the \$46.5 billion in rental assistance funds. Millions of households currently at risk for eviction desperately await the funds from the Consolidated Appropriations Act (ERA1) and the American Rescue Plan (ERA2) to remain housed as COVID-19 continues to cause staggering economic and health crises.

Despite the high level of emergency financial need that has persisted as early as March 2020, these households continue to wait in vain while eviction proceedings loom threateningly. Some states that have both high financial needs and high rates of eviction, like Missouri, have been slow to implement best practices and procedures suggested by Treasury. Missouri has allocated only \$71 million of the nearly \$324 million¹ in ERA1 funds available to households while ranking 2nd in the country for the highest number of evictions filed during the pandemic.²

The new ERA guidance is a much-welcomed step forward in expediting access to ERA1 funds by holding grantees accountable and providing incentives to allocate assistance quickly. We have thoroughly reviewed the new guidance in coordination with local and national housing advocates and as such request the following information be included in updated ERA guidance:

¹ National Low Income Housing Coalition (NLIHC) ERA Tracking Spender. https://docs.google.com/spreadsheets/d/1RnHX7Ld7KJ_jgj8Sk52xjCygYRETwU-OthOGE3uduHM/edit#gid=0 ² Eviction Lab Eviction Tracking System. https://evictionlab.org/eviction-tracking/

- 1. Provide detailed instructions and forms needed for grantees with sub-contractors to complete the program improvement plan. Several state grantees have raised concerns about how Treasury will address improvement plans for grantees that have sub-granted some or all of their ERA allocation to third parties. Additional clarification is needed for the process and timeline to revise an inadequate plan in an effort to avoid recapture.
- 2. Release additional guidance on the process to determine which residents are eligible to receive the newly obligated funds. We are concerned about the potential for households to miss out on ERA if the funds move from a state to a locality or from one jurisdiction to another.
 - a. For example, if Grantee 1 in Green County is underperforming and Grantee 2 in Red County receives additional funding, how will residents in Green County be served equitably?
 - b. Will both grantees be allocating funds to households in Green County at the same time?
- 3. **Include need- and equity-related measures in the ERA1 reallocation formula.** We hope Treasury will consider such measures to support programs serving areas with the greatest needs, rather than reobligating funds to programs solely based on who can spend money the quickest.
- 4. Publish more detailed data about ERA grantees and households in need, such as:
 - a. ERA grantees that accept self-attestation; provide direct-to-tenant assistance; cover utilities and other household expenses; and serve tenants with federal rent subsidies.
 - b. the number of households who have applied and been either accepted, denied, or their applications deemed incomplete,
 - c. funds that have been approved but not distributed to households, and
 - d. demographic information about applicants, particularly race, gender, and income level

Thank you for taking these recommendations into consideration as you continue to work diligently to improve and expand the ERA program. We look forward to continuing to work in collaboration with the Department of Treasury to ensure renters and landlords alike receive these life-saving emergency rental assistance funds. Due to the time-sensitive nature of this request, please provide a response no later than Wednesday, November 10, 2021.

Sincerely,

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Member of Congress

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